

The City Council met in regular session in the Council Chambers on Wednesday, September 17, 2008 at 7:30 p.m.

Council Members present: Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7.

On motion of Mr. Thompson, Seconded by Mrs. Jenkins-Husband, the reading of the minutes of the meeting of September 3, 2008 were dispensed with and same adopted with copies furnished to the members of City Council by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.

Copies of the bills under date of September 12th and 19th, 2008 were given to City Council and same adopted by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0., with the exception of invoices to the NATO Centers on which Mrs. Jenkins-Husband, abstained from voting.

By Mr. Cappabianca, Council File Ordinance #15,606, Pending Official File Ordinance #43-2008

an ordinance appropriating the sum of **\$2,880.00** from unappropriated and anticipated revenue from Account #215-0613-0000-3342 Police Drug & Vice PA Opr Account and providing for the expenditure thereof by allocating said sum to Account #215-0613-0000-4096 Operating Transfer Out Account.

September 17, 2008. City Council on motion of Mr. Cappabianca, Seconded by Mr. Aleksandrowicz, having read Council File Ordinance #15,606 and now known as Pending Official File Ordinance #43-2008, does hereby adopt on Final Passage by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.

September 17, 2008. Signed by the President. Attested by the City Clerk.

By Mr. Cappabianca, Council File Ordinance #15,607, Pending Official File Ordinance #44-2008

an ordinance appropriating the sum of **\$21,033.00** from unappropriated and anticipated revenue from Account #241-0613-2008-3304 Justice Assistance Grant and providing for the expenditure thereof by allocating said sum to Account #241-0613-2008-4078 Machinery & Equipment.

September 17, 2008. City Council on motion of Mr. Cappabianca, Seconded by Mr. Aleksandrowicz, having read Council File Ordinance #15,607 and now known as Pending Official File Ordinance #44-2008, does hereby adopt on Final Passage by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.

September 17, 2008. Signed by the President. Attested by the City Clerk.

By Mr. Jones, Council File Ordinance #15,608

an ordinance designating the baseball/softball field at the intersection of West 2nd and Cherry Streets as **"Pontiac Field"**.

September 17, 2008. City Council on motion of Mr. Jones, Seconded by Mr. Schember, having read Council File Ordinance #15,608, does hereby adopt on First Reading by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.

By Mrs. Jenkins-Husband, Council File Ordinance #15,609

An ordinance appropriating the sum of **\$450,000.00** from unappropriated and anticipated revenue to be received from Account #335-0725-0000-3333 Pa. Operating Grant - DCNR and providing for the expenditure thereof by allocating said sum to Account #333-0725-0000-4072 Land & Buildings (Griswold Plaza Renovation Project).

September 17, 2008. City Council on motion of Mrs. Jenkins-Husband, Seconded by Mr. Aleksandrowicz, having read Council File Ordinance #15,509 does hereby adopt on First Reading by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.

Pursuant to the provisions of Zoning Ordinance #80-2005 and the proper legal advertising, the City Council proceeded to hold a Public Hearing regarding a request to change the classification of property located at **3809 Wood Street** from R-1 (Low Density Residential District) to RLB (Residential Limited Business District) with certain stipulations to be agreed to by the owner, for use as a professional counseling office. City Council will review the testimony given and render a decision at the next City Council meeting.

By Mrs. Jenkins-Husband Seconded by Mr. Cappabianca, Resolved, etc.,

That it is hereby requested that the **Amusement Tax**, Article 378 of the Codified Ordinances of the City of Erie, be repealed of the City of Erie.

September 17, 2008. The foregoing resolution was withdrawn from consideration by the sponsor.

By Mrs. Jenkins-Husband, Seconded by Mr. Aleksandrowicz, Resolved, etc.,

That the City's entry into Articles of Agreement with the Township of Millcreek for the transfer of the Erie Golf Course with the final transfer of ownership being contingent upon payment to the City in the amount of \$2,150,000.00 from the Erie County Construction Fund and satisfactory compliance with certain environmental contingencies more fully set forth in the agreement is hereby ratified.

(A seven-page Agreement accompanied the foregoing resolution)

September 17, 2008. City Council adopt by yeas Council Members Aleksandrowicz, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 6. Nays. Mr. Cappabianca. 1.

September 17, 2008. Signed by the President. Attested by the City Clerk.

Mr. Jessica Horan-Kunco
Erie City Hall, 626 State Street, Erie, Pa. 16501

September 4, 2008

Dear Mrs. Horan-Kunco:

I believe you have had discussions with Ray Massing, Executive Director of the Erie Parking Authority regarding the sale of the Northeast corner of West 13th and Peach Streets to the Redevelopment Authority of the City of Erie. In order to satisfy the bond indenture, we must have several consents to effectuate the sale. I believe I shall be receiving the consent of the Mayor, along with a certificate from the engineer of the Authority consenting to the sale. I enclose a draft resolution for your use in securing City Council's consent to the same as you see fit.

I understand this matter will be on the agenda for the Council's meeting on the 17th of September. I will appear personally at the caucus time to answer any questions that may arise.

Should you require anything further from the undersigned regarding getting this matter on the agenda for your next meeting, I would appreciate you bringing it to my attention. Thank you.

Very truly yours,
Marsh Spaeder Baur Spaeder & Schaaf, LLP
S/ James E. Marsh, Jr.

(In addition to the resolution for the Agreement for Sale of Real Estate and Agreement of Lease to be executed between the Erie Parking Authority and the Redevelopment Authority)

By Mrs. Horan-Kunco, Seconded by Mr. Schember, Resolved, etc.,

RESOLUTION REGARDING THE ERIE PARKING AUTHORITY'S AGREEMENT FOR SALE OF THE NORTHEAST CORNER OF WEST 13TH AND PEACH STREETS, ERIE, PENNSYLVANIA TO THE REDEVELOPMENT AUTHORITY OF THE CITY OF ERIE

WHEREAS, the Erie Parking Authority has entered into an Agreement of Sale of Real Estate to the Redevelopment Authority of the City of Erie (a copy of the same is attached hereto and made a part hereof);

WHEREAS, the Erie Parking Authority deems it is in the best interest of the Erie Parking Authority to consummate such sale to the Redevelopment Authority of the City of Erie; and

WHEREAS, the Erie Parking Authority has entered into several bond issues over the years; and

WHEREAS, the original bond indenture dated the 1st day of April, 1987, has a condition for sale of real estate (9.07 attached hereto and made a part hereof) that requires the Authority to receive the written consent for the sale and disposition of the assets from the City of Erie; and

WHEREAS, the Mayor of the City of Erie, the Honorable Joseph E. Sinnott, has consented to such sale (see attached letter); so

THEREFORE, Be It Resolved by the Erie City Council as follows:

1. The City Council of the City of Erie do hereby consent to the sale of the Northeast corner of West 13th & Peach Street, Erie, Pennsylvania by the Erie Parking

Authority to the Redevelopment Authority of the City of Erie said property being a concrete paved parking lot with meters comprising of some 126.5' x 150', more or less, Index (16) 3003-213, for the sum of \$236,500.00 under terms and stipulations noted in said Agreement.

2. The proper officials of the City of Erie are authorized to execute all documents and take such further action as may be deemed necessary to consent to and expedite the closing contemplated by the attached Agreement of Sale.

September 17, 2008. City Council adopt by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.
September 17, 2008. Signed by the President. Attested by the City Clerk.

HOUSING AUTHORITY OF THE CITY OF ERIE OFFER TO PURCHASE ERIE COUNTY REPOSITORY PROPERTY

Location of Property: South Side of East 26th Street between Pear Street and Downing Avenue
Index Number: 18-051-021.0-211.00
Lot Size: 46' x 133'
Purchase Price Offered: \$400.00
Property Maintenance: This vacant parcel has been maintained by a landscape firm contracted by HACE since the summer of 2002
Reason for Purchase: Purchase of this vacant parcel will enable HACE to protect its investment in 14 residential properties in the immediate area of this acquisition and will preserve the well-maintained appearance of the surrounding neighborhood.

By Mr. Jones, Seconded by Mr. Thompson, Resolved, etc.,
That the proposed Repository Sale by the Erie County Tax Claim Bureau of property located in the C.K. Riblet Subdivision LT 5 on the south side of East 26th Street between Pear Street and Downing Avenue, being some 46 x 133 and further identified as Index #(18) 5121-211, for the sum of \$400.00 is hereby approved by City Council.

September 17, 2008. City council adopt by yeas Council members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.
September 17, 2008. Signed by the President. Attested by the City Clerk.

TO: City Council Members September 11, 2008
FROM: Thomas J. McIntire, Enterprise Zone Coordinator
SUBJECT: City Council ratification of Enterprise Zone Loan

Our EZ Loan Review Committee acted favorably on the loan proposal listed below. Therefore, we have prepared a resolution, which requests ratification of the approval at the City Council meeting scheduled for Wednesday, September 17, 2008. (Bay City Orthocare, LLC, 2313 Peach Street, Erie, Pa., William A. DeSarro, CEO and Diane DeSarro, President) BayCity OrthoCare, which was established in 2003, provides orthopedic equipment and services for local rehab and hospitals throughout the region. This includes, but is not limited to, athletic bracing, muscle stimulators and orthopedic footwear. The company also has a satellite operation in Meadville.

Early in 2008, the business was impacted by a gas explosion that made their existing Erie building unusable. They have continued to operate while plans were formalized to rebuild. Along with the renovation of the existing building which is being funded by insurance proceeds), they are putting on an addition, which is needed to help grow the business. To assist in the rebuilding, we have approved a \$250,000 mortgage loan to fund the business expansion. Our financing will be supplemented by approximately \$225,000 in insurance proceeds and \$40,000 of company equity. The total financing package is \$515,000. Our loan documents will consist of a Loan Agreement, Promissory Note, Mortgage (subordinate to Citizens Bank) and the personal guarantee of William A. and Diane L. DeSarro supported by mortgage on 4721 and 4801 Washington Avenue and their personal residence.

The company presented employs 15 people in family sustaining jobs and they anticipate that four new positions will be added within three years.

By Mr. Schember, Seconded by Mr. Cappabianca, Resolved, etc.,
That the Enterprise Zone Loan Review Committee approval of the following loan be formally ratified:

	Amount	Term	Fee
BayCity Orthocare, LLC	\$250,000	15 years	\$1,250.00

These funds have been made available through the Commonwealth of Pennsylvania Enterprise Zone Program and the Erie Enterprise Zone Revolving Loan Fund and loan repayments. This loan will be charged against Account #310-0000-0000-1007. The interest rate is fixed at 4.50% per annum. A one-time loan processing fee based on 1/2 of 1%, not to exceed \$1,500.00 of the amount financed will be assessed to this client. The City Solicitor's office will assist with the preparation of the loan documents for this transaction.

City Council further directs that the proper City officials are authorized to sign the necessary documents and agreements effectuating same.

September 17, 2008. City Council adopt by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.
September 17, 2008. Signed by the President. Attested by the City Clerk.

By Mrs. Jenkins-Husband, Seconded by Mrs. Horan-Kunco, Resolved, etc.,
That the contract for the proposed Roof Restoration, Equipment Building, Low Roof, WWTP, Bid No. 1625-08, be and the same is hereby awarded to Jamestown Roofing, Inc., 119 Clifton Avenue, Jamestown, NY 14701, they being the lowest of three (3) bids received, in the sum of \$27,800.00 and the proper City officials are hereby authorized and directed to execute said contract on behalf of the City of Erie. To be charged to Budget Code #007-0771-0000-4056.
Other Bidders: McCreary Roofing Co. Inc. \$ 33,000.00
A. W. Farrell & Son, Inc. 35,300.00

September 17, 2008. City Council adopt by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.
September 17, 2008. Signed by the President. Attested by the City Clerk.

Waive Rules
By Mr. Jones, Seconded by Mr. Thompson, Resolved, etc.,
That the real estate taxes due to the City of Erie for the years 2006 and 2007 on property located at **701 East 22nd Street** and identified as Erie County Tax Assessment Index #18-050-030.0-219.00 and #18-050-030.0-219/98 are hereby abated and exonerated in the amount of \$696.06 for Joel II Restoration Outreach, Inc., a social service non-profit agency. (Failed to renew non-profit status)

September 17, 2008. City Council adopt by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.
September 17, 2008. Signed by the President. Attested by the City Clerk.

Waive Rules
By Mr. Jones, Seconded by Mr. Thompson, Resolved, etc.,
That the real estate taxes due to the City of Erie for the years 2006 and 2007 on property located at **155 East 21st Street** and **149 East 21st Street**, and identified as Erie County Assessment #18-050-0050.0-103.99 & #18-050-005.0-105.00 are hereby abated and exonerated in the amount of \$2,498.61, for the House of Prayer Missionary Baptist Church, a non-profit organization. (Failed to renew non-profit status)

September 17, 2008. City Council adopt by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.
September 17, 2008. Signed by the President. Attested by the City Clerk.

Attachment to 2009 Minimum Municipal Obligation

The Minimum Municipal Obligation for the pension plans of the City of Erie is being certified with City Council. This procedure is required under Act 205 which pertains to the funding requirements of State regulated Employee Retirement Programs. The 2009 Minimum Municipal Obligation totals \$7,647,085.00. This year's Minimum Municipal Obligation is \$1,498,909.00 more than last year's Minimum Municipal Obligation.

Most of the increase is the result of a less than expected return on the actuarial value of plan assets. While the plans experienced an average market value return greater than the 8% assumed rate, the actuarial value of assets, which is a 5 year smoothing of assets, experienced an average return less than the 8% assumed rate.

Two other factors play a role in the increase in liability. First the plans experienced greater than anticipated increases in pay for the prior year. Secondly the Police and Fire pension plans implemented a lump sum option feature to their plans as well as a service increment increase.

There have been no changes in the actuarial methods or assumptions since last year.

September 17, 2008. The foregoing communication and data was submitted to City Council by City Controller Casimir Kwitowski and placed in the minutes for information.

September 17, 2008. City Council on motion of Mr. Thompson, Seconded by Mrs. Jenkins-Husband, adjourned at 11:05 p.m. by yeas Council Members Aleksandrowicz, Cappabianca, Horan-Kunco, Jenkins-Husband, Schember, Thompson and Jones. 7. Nays. 0.

Attest:

President of City Council

City Clerk